

East Kowloon Cultural Centre Public Artwork Commissioning Project calls for proposals

The East Kowloon Cultural Centre (EKCC) Public Artwork Commissioning Project is now inviting artists, designers and architects as individuals or groups to create a harmonious art landscape for the EKCC that engages members of the public through the expression of art and culture.

The project, presented by the Leisure and Cultural Services Department and organised by the Art Promotion Office, endeavors to capture and showcase the past, present and future of East Kowloon. The commissioned artworks will represent five themes – memory, impression, moment, dream and imagination – aiming to display the changing nature of the district, and to manifest the cultural sustainability, aspirations and dreams of the local community.

The scheme will involve a two-stage selection and commission process. For Stage 1, interested participants must submit their preliminary proposal, including the participant's curriculum vitae, documentation of the participant's previous artwork and the artistic concept of the proposed artwork. All proposals must be delivered to the Public Art Project Management Team of the EKCC (G/F, 50-54 Lok Ku Road, Sheung Wan, Hong Kong) by post or by hand before 7pm, May 4 (Monday). The proposals will then be short-listed by the selection panel. Short-listed participants are required to submit detailed proposals before 7pm, June 30 (Tuesday) for the Stage 2 selection. Up to three proposals shall be chosen by the selection panel for commissioning and installing in the Centre.

For details, please visit its website at www.lcsd.gov.hk/CE/Museum/AP0/en_US/web/apo/ekcc_pacp.html or call 2803 0991.

Statistics on trade involving outward processing in the mainland of China, fourth quarter 2019

In the fourth quarter of 2019, 23.7% of Hong Kong's total exports to the mainland of China (the Mainland) were for outward processing in the Mainland. On the other hand, 38.8% of Hong Kong's imports from the Mainland were related to outward processing in the Mainland, according to statistics released today (March 26) by the Census and Statistics Department

(C&SD). Over the same period, 68.3% of Hong Kong's re-exports of Mainland origin to other places were produced through outward processing in the Mainland.

In the fourth quarter of 2018, the corresponding proportions were 26.9% for total exports to the Mainland, 38.9% for imports from the Mainland and 68.8% for re-exports of Mainland origin to other places.

For 2019 as a whole, 25.3% of Hong Kong's total exports to the Mainland were for outward processing in the Mainland. On the other hand, 38.6% of Hong Kong's imports from the Mainland were related to outward processing in the Mainland. Over the same period, 68.7% of Hong Kong's re-exports of Mainland origin to other places were produced through outward processing in the Mainland.

The corresponding proportions in 2018 were 26.6% for total exports to the Mainland, 38.9% for imports from the Mainland and 69.5% for re-exports of Mainland origin to other places.

In value terms, \$145.2 billion of Hong Kong's total exports to the Mainland in the fourth quarter of 2019 were for outward processing in the Mainland, representing a decrease of 8.7% compared with the fourth quarter of 2018. On the other hand, the value of imports from the Mainland related to outward processing in the Mainland decreased by 9.5% compared with the fourth quarter of 2018 to \$206.6 billion. Meanwhile, \$220.5 billion of Hong Kong's re-exports of Mainland origin to other places were produced through outward processing in the Mainland, representing a decrease of 15.0% compared with the fourth quarter of 2018.

For the whole year of 2019, \$559.4 billion of Hong Kong's total exports to the Mainland were for outward processing in the Mainland, representing a decrease of 8.3% compared with the whole year of 2018. On the other hand, the value of imports from the Mainland related to outward processing in the Mainland decreased by 6.6% compared with the whole year of 2018 to \$793.4 billion. Meanwhile, \$884.1 billion of Hong Kong's re-exports of Mainland origin to other places were produced through outward processing in the Mainland, representing a decrease of 9.1% compared with the whole year of 2018.

The statistics for the fourth quarter and whole year of 2019 are given in the attached tables.

Information on trade involving outward processing in the Mainland is collected in a sample survey conducted by the C&SD. For the purpose of the survey, exports to the Mainland for outward processing refer to raw materials or semi-manufactures exported from or through Hong Kong to the Mainland for processing with a contractual arrangement for subsequent re-importation of the processed goods into Hong Kong.

Imports from the Mainland related to outward processing refer to processed goods imported from the Mainland, of which all or part of the raw

materials or semi-manufactures have been under contractual arrangement exported from or through Hong Kong to the Mainland for processing.

Re-exports of Mainland origin to other places involving outward processing in the Mainland refer to processed goods re-exported through Hong Kong, of which all or part of the raw materials or semi-manufactures have been exported from or through Hong Kong to the Mainland for processing with a contractual arrangement for subsequent re-importation of the processed goods into Hong Kong.

In interpreting the statistics, it should be noted that all imports and exports of goods (not including transshipments and goods-in-transit) are recorded as external trade, irrespective of whether the goods are associated with outward processing or not. Moreover, the value and proportion of imports from the Mainland and re-exports of Mainland origin to other places involving outward processing in the Mainland refer to those of the entire goods instead of just the value added contributed by outward processing in the Mainland.

A sample of import/export declarations in respect of Hong Kong's trade with the Mainland and Hong Kong's re-exports originated in the Mainland to other places is selected for enumeration to obtain the required information from the establishments concerned. The findings of the survey facilitate a more informed analysis of the nature of Hong Kong's trade with the Mainland. In this respect, the survey results are a useful supplement to the regular trade statistics.

The above survey results will be included in the March 2020 issue of the "Hong Kong External Merchandise Trade". The publication will be available in May 2020. Users can download this publication free of charge from the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp230.jsp?productCode=B1020005).

Enquiries on the survey results may be directed to the Outward Processing and Shipping Statistics Section of the C&SD (Tel: 2582 2126 or email: ops@censtatd.gov.hk).

Wage and payroll statistics for December 2019

Overall wage and payroll statistics

According to the figures released today (March 26) by the Census and Statistics Department (C&SD), the average wage rate for all the selected industry sections surveyed, as measured by the wage index, increased by 2.8% in nominal terms in December 2019 over a year earlier.

About 60% of the companies reported increase in average wage rates in December 2019 compared with a year ago. 35% of the companies recorded decrease in average wage rates over the same period. The remaining 5% reported virtually no change in average wage rates.

After discounting the changes in consumer prices as measured by the Consumer Price Index (A), the overall average wage rate for all the selected industry sections surveyed decreased by 0.5% in real terms in December 2019 over a year earlier.

As for payroll, the index of payroll per person engaged for all the industry sections surveyed increased by 2.4% in nominal terms in the fourth quarter of 2019 over a year earlier.

After discounting the changes in consumer prices as measured by the Composite Consumer Price Index, the average payroll per person engaged decreased by 0.6% in real terms in the fourth quarter of 2019 compared with a year earlier.

The wage rate includes basic wages and other regular and guaranteed allowances and bonuses. Payroll includes elements covered by wage rate as well as other irregular payments to workers such as discretionary bonuses and overtime allowances. The payroll statistics therefore tend to show relatively larger quarter-to-quarter changes, affected by the number of hours actually worked and the timing of payment of bonuses and back-pay.

Sectoral changes

For the nominal wage indices, year-on-year increases were recorded in all selected industry sections in December 2019, ranging from 1.6% to 3.5%.

For the real wage indices, year-on-year decreases ranging from 0.1% to 1.7% were recorded in all selected industry sections in December 2019, except the transportation section and real estate leasing and maintenance management section where mild year-on-year increases of 0.1% and 0.2% were recorded respectively.

The year-on-year changes in the nominal and real wage indices for the selected industry sections from December 2018 to December 2019 are shown in Table 1.

As for the nominal indices of payroll per person engaged, year-on-year increases were recorded in all selected industry sections in the fourth quarter of 2019, ranging from 1.6% to 3.8%.

For the real payroll indices, year-on-year decreases ranging from 0.1% to 1.4% were recorded in the import/export and wholesale trades section; retail trade section; transportation, storage, postal and courier services section; financial and insurance activities section; professional and business services section and social and personal services section in the fourth quarter of 2019. Yet, the manufacturing section remained virtually

unchanged when compared with that in the fourth quarter of 2018 while the other industry sections surveyed recorded year-on-year increases of 0.3% to 0.8%.

The year-on-year changes in the nominal and real indices of payroll per person engaged for selected industry sections from the fourth quarter of 2018 to the fourth quarter of 2019 are shown in Table 2. The quarterly changes in the seasonally adjusted nominal and real indices of payroll per person engaged between the fourth quarter of 2018 and the fourth quarter of 2019 are shown in Table 3.

Commentary

A Government spokesman noted that overall wages continued to increase in nominal terms in December 2019 over a year earlier, but the rate of increase decelerated further to the slowest in more than nine years as economic conditions stayed weak. After discounting for inflation which was affected by elevated fresh pork prices, overall wages declined in real terms from a year earlier.

The nominal growth in payroll per person engaged, which also covers discretionary bonuses and other irregular payments, likewise saw further deceleration in the fourth quarter of 2019 to the slowest in more than nine years. Almost all major sectors recorded decelerated growth in payroll per person engaged.

The spokesman added that taking 2019 as a whole, both wages and payroll per person engaged showed somewhat slower growth in nominal terms compared to the previous year. But there were still modest increases in real terms after discounting for inflation. Looking ahead, the earnings situation will be subject to even greater pressure in the near term as the COVID-19 pandemic has caused severe disruptions to a wide range of economic activities and dampened economic sentiment lately. The Government will continue to monitor the developments closely.

Other information

Both wage indices and payroll indices are compiled quarterly based on the results of the Labour Earnings Survey (LES) conducted by the C&SD.

Wage statistics are conceptually different from the payroll statistics. Firstly, wage rate for an employee refers to the sum earned for his normal hours of work. It covers basic wages and other regular and guaranteed allowances and bonuses, but excludes earnings from overtime work and discretionary bonuses, which are however included in payroll per person engaged. Secondly, the payroll index of an industry is an indicator of the simple average payroll received per person engaged in the industry. Its movement is therefore affected by changes in wage rates, number of hours of work and occupational composition in the industry. In contrast, the wage index of an industry is devised to reflect the pure changes in wage rate, with the occupational composition between two successive statistical periods

being kept unchanged. In other words, the wage index reflects the change in the price of labour. Thirdly, wage index only covers employees up to the supervisory level (i.e. not including managerial and professional employees), whereas payroll index covers employees at all levels and proprietors actively engaged in the work of the establishment. Because of these conceptual and enumeration differences between payroll and wage statistics, the movements in payroll indices and in wage indices do not necessarily match closely with each other.

It should also be noted that different consumer price indices are used for compiling the real indices of wage and payroll to take into account the differences in their respective occupation coverage. Specifically, the Composite Consumer Price Index, being an indicator of overall consumer prices, is taken as the price deflator for payroll of workers at all levels of the occupational hierarchy. The Consumer Price Index (A), being an indicator of consumer prices for the relatively low expenditure group, is taken as the price deflator for wages in respect of employees engaged in occupations up to the supervisory level.

Detailed breakdowns of the payroll and wage statistics are published in the "Quarterly Report of Wage and Payroll Statistics, December 2019". Users can download this publication free of charge from the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp210.jsp?productCode=B1050009).

For enquiries on wage and payroll statistics, please contact the Wages and Labour Costs Statistics Section (1) of the C&SD (Tel: 2887 5550 or email: wage@censtatd.gov.hk).

[External merchandise trade statistics for February 2020](#)

The Census and Statistics Department (C&SD) released today (March 26) the external merchandise trade statistics for February 2020. In February 2020, the value of Hong Kong's total exports of goods increased by 4.3%, whereas the value of imports of goods decreased by 0.1% over a year earlier.

As the trade flows in January and February of each year tend to show considerable volatilities due to difference in timing of the Lunar New Year holidays, it is useful to analyse the trade figures for these two months taken together.

Taking January and February as a whole to neutralise the distortion caused by the difference in timing of the Lunar New Year holidays, the value of total exports of goods decreased by 12.0% over the same period in 2019.

Concurrently, the value of imports of goods decreased by 9.3%. A visible trade deficit of \$69.1 billion, equivalent to 12.0% of the value of imports of goods, was recorded in the first two months of 2020.

In February 2020, the value of total exports of goods increased by 4.3% over a year earlier to \$238.6 billion, after a year-on-year decrease of 22.7% in January 2020. Concurrently, the value of imports of goods decreased by 0.1% over a year earlier to \$277.1 billion in February 2020, after a year-on-year decrease of 16.4% in January 2020. A visible trade deficit of \$38.6 billion, equivalent to 13.9% of the value of imports of goods, was recorded in February 2020.

Comparing the three-month period ending February 2020 with the preceding three months on a seasonally adjusted basis, the value of total exports of goods decreased by 7.8%. Meanwhile, the value of imports of goods decreased by 5.8%.

Analysis by country/territory

Comparing February 2020 with February 2019, total exports to Asia as a whole grew by 11.2%. In this region, increases were registered in the values of total exports to some major destinations, in particular Vietnam (+43.5%), Taiwan (+38.3%), India (+23.1%), Malaysia (+13.3%) and the mainland of China (the Mainland) (+13.2%). On the other hand, decreases were recorded in the values of total exports to Japan (-17.4%), Korea (-16.0%) and Singapore (-12.7%).

Apart from destinations in Asia, decreases were registered in the values of total exports to some major destinations in other regions, in particular the United Kingdom (-34.9%), Germany (-26.3%) and the USA (-16.5%).

Over the same period of comparison, decreases were registered in the values of imports from some major suppliers, in particular the Mainland (-8.6%), the USA (-7.8%) and the United Kingdom (-3.5%). Concurrently, increases were recorded in the values of imports from Vietnam (+68.5%), Taiwan (+39.6%) and Korea (+31.6%).

For the first two months of 2020 as a whole, year-on-year decreases were registered in the values of total exports to some major destinations, in particular the USA (-26.4%), Japan (-24.2%), Germany (-22.3%) and Singapore (-16.0%). The value of total exports to the Mainland also decreased by 7.9%. However, year-on-year increases were registered in the values of total exports to the United Arab Emirates (+4.6%), India (+4.3%) and Vietnam (+4.2%).

Over the same period of comparison, year-on-year decreases were registered in the values of imports from some major suppliers, in particular the Mainland (-18.8%), the USA (-11.7%), Thailand (-10.1%) and Malaysia (-10.2%). However, year-on-year increases were registered in the values of imports from Vietnam (+42.8%), Korea (+20.6%) and Taiwan (+18.5%).

Analysis by major commodity

Comparing February 2020 with February 2019, increases were registered in the values of total exports of some principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$16.7 billion or 20.1%), "power generating machinery and equipment" (by \$3.8 billion or 82.1%) and "non-metallic mineral manufactures" (by \$1.2 billion or 12.6%). However, decreases were registered in the values of total exports of "telecommunications and sound recording and reproducing apparatus and equipment" (by \$6.5 billion or -14.3%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$1.7 billion or -12.9%).

Over the same period of comparison, decreases were registered in the values of imports of some principal commodity divisions, in particular "non-metallic mineral manufactures" (by \$12.1 billion or -60.0%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$3.4 billion or -8.4%) and "office machines and automatic data processing machines" (by \$2.7 billion or -12.6%). However, an increase was registered in the value of imports of "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$18.1 billion or 18.5%).

For the first two months of 2020 as a whole, year-on-year decreases were registered in the values of total exports of most principal commodity divisions, in particular "telecommunications and sound recording and reproducing apparatus and equipment" (by \$21.8 billion or -20.0%), "office machines and automatic data processing machines" (by \$7.4 billion or -12.6%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$6.7 billion or -20.1%). However, a year-on-year increase was registered in the value of total exports of "power generating machinery and equipment" (by \$3.7 billion or 35.2%).

Over the same period of comparison, year-on-year decreases were registered in the values of imports of most principal commodity divisions, in particular "telecommunications and sound recording and reproducing apparatus and equipment" (by \$16.5 billion or -16.6%), "non-metallic mineral manufactures" (by \$16.1 billion or -48.4%) and "office machines and automatic data processing machines" (by \$12.3 billion or -23.4%). However, a year-on-year increase was registered in the value of imports of "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$15.2 billion or 6.9%).

Commentary

A Government spokesman said that merchandise exports turned to a moderate year-on-year increase in February mainly due to the distortions from the timing of the Lunar New Year. Taking the first two months of 2020 together, the fall in merchandise exports widened to 12.0% in value terms, reflecting the serious disruptions to regional trading and production activities caused by the COVID-19 outbreak.

The external trading environment has turned even more austere lately, as demand in most major export markets plunged amid the COVID-19 pandemic. As such, Hong Kong's merchandise export performance will likely remain weak in the near term. The Government will continue to monitor the situation closely.

Further information

Table 1 at the annex presents the analysis of external merchandise trade statistics for February 2020. Table 2 presents the original monthly trade statistics from January 2017 to February 2020, and Table 3 gives the seasonally adjusted series for the same period.

The values of total exports of goods to 10 main destinations for February 2020 are shown in Table 4, whereas the values of imports of goods from 10 main suppliers are given in Table 5.

Tables 6 and 7 show the values of total exports and imports of 10 principal commodity divisions for February 2020.

All the merchandise trade statistics described here are measured at current prices and no account has been taken of changes in prices between the periods of comparison. A separate analysis of the volume and price movements of external merchandise trade for February 2020 will be released in mid-April 2020.

The February 2020 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in February 2020 and will be available in mid-April 2020. Users can download the publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp230.jsp).

Enquiries on merchandise trade statistics may be directed to the Trade Analysis Section (2) of the C&SD (Tel: 2582 5042).

"Thematic Household Survey Report No. 69" published

The Thematic Household Survey Report No. 69 is published by the Census and Statistics Department (C&SD) today (March 26).

This publication contains key findings on personal computer (PC) and Internet penetration based on the Thematic Household Survey conducted during April to July 2019.

The survey results showed that 94.1% of households had access to the

Internet at home in 2019, up from 92.3% in 2018. Among these households, smartphone was the most popular type of device used for Internet connection at home (99.7%), whereas personal computer (PC) came next (82.4%).

Usage of the Internet has been on the rise. The percentage of persons aged 10 and over who had used the Internet during the 12 months before enumeration increased to 91.7% in 2019, from 90.5% in 2018. In particular, the increase was substantial among persons aged 65 and over (from 56.3% to 62.2%).

Continually more people had knowledge of using PC. The percentage of persons aged 10 and over who had knowledge of using PC was 88.3% in 2019, up from 85.1% in 2018. The increase was particularly remarkable among persons aged 65 and over (from 40.8% to 52.2%).

Findings of the survey also showed that smartphone had become more popular. Some 5.97 million persons aged 10 and over had smartphone in 2019, around 0.16 million more than that in 2018. The smartphone penetration rate rose from 89.8% in 2018 to 91.5% in 2019. The increase was particularly remarkable among the elderly. About 2 in 3 persons aged 65 and over had smartphone in 2019, compared to only around 3 in 5 persons aged 65 and over in 2018.

Other information

The survey successfully enumerated target respondents in some 10 000 households in accordance with a scientific sampling scheme to represent the population of Hong Kong.

Detailed findings of the survey, together with the population coverage and concepts/definitions of key terms, are presented in the publication. Users can download the publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp140.jsp?productCode=B1130201).

Enquiries about the contents of the publication can be directed to the Social Surveys Section (1) of the C&SD (Tel: 2887 5103 or email: thematic@censtatd.gov.hk).